

## Message Text

UNCLASSIFIED

PAGE 01 SANTIA 05260 242320Z  
ACTION SCS-05

INFO OCT-01 ARA-14 ISO-00 SCA-01 FSE-00 PPTE-00 DHA-02

H-02 L-03 /028 W

-----081624 242329Z /70

P 242225Z JUN 77

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC PRIORITY 5390

UNCLAS SANTIAGO 5260

E.O. 11652: N/A

TAGS: CASC CGEN CI (PROTECTION OF US OWNED PROPERTY)

SUBJECT: W/W: PROTECTION OF SAILING YACHT "GOOD SHIP GRACE"

REF: STATE 147088, STATE 13479, SANTIAGO 4843 AND PREVIOUS

1. EMBASSY LEARNED YESTERDAY THAT COURT PROCEEDINGS WOULD BE INITIATED TODAY IN VALPARAISO WHICH COULD LEAD TO LOSS OF CONTROL OF THE GOOD SHIP GRACE (PROBABLY WORTH \$250 THOUSAND PLUS) BY CHARLES GARRETT AND TIMOTHY OLDFATHER UNLESS THEY ACT PROMPTLY AND PERHAPS IN CONCERT.

2. IN AN EFFORT TO ASSIST THE US OWNER OR OWNERS OF THE VESSEL WE HAVE BEEN IN ALMOST CONTINUOUS CONTACT WITH THE PORT CAPTAIN IN VALPARAISO WHERE THE GOOD SHIP GRACE IS NOW BEING HELD PENDING PAYMENT OF GARRETT'S LAN CHILE DEBT. CONTRADICTORY STATEMENTS HAVE BEEN RECEIVED FROM OLDFATHER AND GARRETT REGARDING RHE ROLE OF JUAN CHAVEZ AS LEGAL REPRESENTATIVE IN CHILE. GARRETT ADVISED US YESTERDAY THAT CHAVEZ DOES NOT HAVE AUTHORITY TO ACT AS HIS AGENT. CHAVEZ AND HIS AGENTS HAVE APPROACHED THE CONSULATE CLAIMING TO REPRESENT ONE OR BOTH OF THEM AND SEEKING ASSISTANCE WITH PORT AUTHORITIES TO ENABLE CHAVEZ TO SELL THE VESSEL. THIS ASSISTANCE WAS DECLINED SINCE OWNERSHIP APPEARS TO BE IN DISPUTE BUT WE REQUESTED THAT DEPARTMENT NOTIFY BOTH OLDFATHER AND GARRETT OF GROWING IMPATIENCE OF THE CHILEAN PORT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SANTIA 05260 242320Z

AUTHORITIES FOR SETTLEMENT OF THE DEBT.

3. WE HAVE BEEN INFORMED THAT JUAN CHAVEZ, ACTING WITH LIGHTNING SPEED, IS FILING A CLAIM AGAINST THE GOOD SHIP GRACE AT THE WORKMEN'S COURT IN VALPARAISO AND PRELIMINARY HEARINGS ARE BEING HELD TODAY. NOT ONLY ARE CHAVEZ AND HIS FOUR SONS DEMANDING \$5000 FOR "CREWING" THE

SHIP FROM EASTER ISLAND TO TAL TAL, CHILE, PLUS ANOTHER \$5000 FOR THEIR RETURN AIR FARES TO EASTER ISLAND, BUT ARE FURTHERMORE CLAIMING SALVAGE RIGHTS RPT SALVAGE RIGHTS. THE PRELIMINARY HEARING AND OTHER PROCEDURES SHOULD TAKE ABOUT THREE WEEKS ACCORDING TO A JUDGE AT THE ROKMEN'S COURT. APPARENTLY CHAVEZ HAS OBTAINED THE BEST SHYSTER LAWYER IN VALPARAISO TO REPRESENT HIM AND THE COURT HAS APPOINTED ANOTHER ATTORNEY TO REPRESENT MR GARRETT ET AL. IT SEEMS AN UNEVEN MATCH.

4. IT WOULD APPEAR THAT JUAN CHAVEZ, HAVING FAILED TO OBTAIN AUTHORITY TO SELL THE VESSEL DUE TO A QUESTIONABLE POWER OF ATTORNEY ISSUED TO HIM BY TIMOTHY OLDFATHER, AND GARRETT'S OUTSTANDING LAN CHILE DEBT, IS MAKING THE END-RUN WITH THE ASSISTANCE OF SOMEBODY WHO KNOWS HOW TO MANIPULATE COURT DOCKETS.

5. GARRETT IS AWARE OF THE MOVES BEING MADE BUT IS UNABLE TO RETURN TO CHILE TO RESOLVE THE SITUATION. GARRETT STATED IN A TELCON WITH CONOFF ON JUNE 23 THAT HIS PASSPORT WAS INVALID FOR RETURN ABROAD UNTIL HIS US REPATRIATION LOAN WAS REPAYED. HE FURTHER STATED THAT HE HAS NO MONEY TO ENGAGE A SITABLE ATTORNEY IN CHILE. GARRETT ALSO REQUESTED THAT THE CONSULATE ATTEMPT TO SECURE A DELAY IN THE HEARING UNTIL HE COULD APPEAR AND THAT THE DEPARTMENT ADVISE THE LOS ANGELES

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 SANTIA 05260 242320Z

PASSPORT OFFICE TO ISSUE HIM A NEW PASSPORT.

6. A NEWSPAPERWOMAN IN VALPARAISO WHO IS A FRIEND OF GARRETT AND HAS BEEN IN CONTACT WITH HIM, STRONGLY IMPLIED THAT JUAN CHAVEZ IS ACTING AS A CAT'S PAW FOR POWERFUL INTERESTS HERE WHO WOULD LIKE TO USE THE GOOD SHIP GRACE AS A CLUBHOUSE.

7. CONOFF INFORMED GARRETT TODAY BY PHONE OF THE SITUATION AND ADVISED THAT HE AND OTHER OWNER OR OWNERS TRY TO GET THEIR ACT TOGETHER IN ORDER TO SECURE AN ADEQUATE LEGAL COUNSEL AND REPRESENTATION OR INFORM COURT OF THEIR DESIRES. DEPARTMENT MAY, HOWEVER, WISH TO INFORM JAMES MCKEE AND TIMOTHY OLDFATHER OF DEVELOPMENTS. ALL PARTIES SHOULD BE ADVISED THAT NEWS REPORTER, MONICA RIPA, WORKS FOR THE CRONISTA AND REPORTEDLY TAPES PHONE CONVERSATIONS FOR REPLAY OVER VALPARAISO RADIO STATION TO DRUM UP INTEREST IN THE ALREADY HEAVY MEDIA PLAY BEING GIVEN TO THE GOOD SHIP GRACE IN LOCAL PRESS.

8. THE DEPARTMENT'S VIEWS AND GUIDANCE WOULD BE APPRECIATED.

BOYATT

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 24-Jun-1977 12:00:00 am  
**Decapton Date:** 01-Jan-1960 12:00:00 am  
**Decapton Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977SANTIA05260  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770227-0434  
**Format:** TEL  
**From:** SANTIAGO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770622/aaaaasyt.tel  
**Line Count:** 117  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 81794977-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION SCS  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 STATE 147088, 77 STATE 13479, 77 SANTIAGO 4843  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 08-Nov-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2044713  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** W/W: PROTECTION OF SAILING YACHT \"GOOD SHIP GRACE\"  
**TAGS:** CASC, CGEN, CI  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/81794977-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009